



State of Utah
School & Institutional
Trust Lands Administration

675 East 500 South, Suite 500
Salt Lake City, UT 84102-2818
801-538-5100
801-355-0922 (Fax)
www.trustlands.com

Gary R. Herbert
Governor

Greg Bell
Lieutenant Governor

Kevin S. Carter
Director

50030012
cc: Lynn
Opie

RECEIVED

NOV 10 2010

DIV. OF OIL, GAS & MINING

November 8, 2010

Travelers Casualty and Surety Co.
4000 Kruse Way Place, Bldg. One, Suite 265
Lake Oswego, OR 97035

RE: Minerals Lease ML 43106; Surety Bond
Northern Stone Supply, Inc., P.O. Box 249, Oakley, ID 83346

Gentlemen:

I am in receipt of your notification of November 01, 2010 electing to cancel the above numbered surety bond which is on file with the Utah School and Institutional Trust Lands Administration for the Limelight Green quarry, operated by Northern Stone Supply, Inc. The Utah School and Institutional Trust Lands Administration is the successor in interest to the Division of State Lands & Forestry, by Utah State Law.

Please observe that under its terms and conditions the above surety bond is binding upon the Surety until the Principal fully satisfies all obligations accruing to the bond and it remains in effect until released by the Utah Trust Lands Administration.

The bond may not be released at this time because the Principal has not fulfilled some of the obligations accruing to the bond, namely: 1) the quarry has not been released from regulatory reclamation by the Utah Division of Oil, Gas & Mining pending the success of revegetation efforts at the quarry site; and, 2) the Principal has failed to make payment of required annual permit fees to the Utah Division of Oil, Gas & Mining since 2006.

Before the bond may be cancelled or released the quarry site must be released from further reclamation responsibility by the Utah Division of Oil, Gas & Mining and the Principal must make good all annual permit fees and penalties accruing to the Utah Division of Oil Gas & Mining since 2006. The Contact for the Utah Division of Oil Gas & Mining in this matter is as follows.

Mr. Paul Baker
Minerals Reclamation program Manager
Utah Division of Oil, Gas & Mining
P.O. Box 145801
Salt Lake City, UT84114
(801) 538-5340

Sincerely,

John T. Blake
Trust Land Specialist

CC: Paul Baker
Gary Mullard